



COUNTY OF LOS ANGELES  
DEPARTMENT OF PARKS AND RECREATION  
*"Creating Community Through People, Parks and Programs"*

Russ Guiney, Director

June 20, 2006

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AMENDMENT NUMBER 1 TO LEASE NUMBER 66016 FOR  
DEPARTMENT OF PARKS AND RECREATION'S INTERPRETIVE CENTER  
AT SANTA CATALINA ISLAND  
(Fourth District - 3 Vote Matter)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the attached Amendment Number 1 is categorically exempt from the California Environmental Quality Act (CEQA) according to a Section of the State CEQA Guidelines, cited herein.
2. Approve and instruct the County Mayor to sign the attached Amendment Number 1 to provide for future relocation of the Department of Parks and Recreation's Interpretive Center at Santa Catalina Island.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On May 12, 1992, your Board approved a 32-year ground lease between Santa Catalina Island Company (Company) and the County of Los Angeles for the development of an Interpretive Center within .60 acres of land located in the Santa Catalina Island's Avalon Canyon area. On May 24, 1995, the Department completed the construction of a 3,136 square foot building, including a parking lot, picnic areas, landscaping and irrigation. This center provides residents and guests of the island with a historical background of the County's involvement with the Catalina Island Open Space Easement and a display of the island's flora and fauna. Currently, the operation of the Interpretive Center is being performed by the Santa Catalina Island Conservancy thereby reducing the Department's operational cost and allowing staff resources to be assigned to other facilities.

It is the intent, of Amendment Number 1 to Lease Number 66016, to provide the Company with the flexibility to relocate the interpretive center to an area that would provide equal if not greater visibility and usage to meet the needs of the residents and guests of the island. Based on the Amendment, if the Company determines that the current interpretive center is needed as a part of a development of land in the Avalon Canyon area, the Company reserves the right to terminate the current lease and relocate the interpretive center by giving notice to this Department. If the Company elects to relocate the current interpretive center, the Amendment requires that a substitute facility be provided that is substantially equivalent to the current facility. The Amendment reserves to the County the right to review and approve the future site and preliminary and final construction plans and allows for arbitration to resolve disputes. All costs associated with the relocation of the interpretive center will be the sole responsibility of the Company including but not limited to permits, environmental approvals, plans, construction and the moving and setting up of the displays.

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

These actions meet the County's Strategic Plan Goals of Service Excellence (Goal Number 1) and Organizational Effectiveness (Goal Number 3) as this contract amendment improves internal operations through the utilization of this contractor's specialized expertise to provide the service accurately, efficiently, timely, cost-effectively, and in a responsive manner.

#### **FISCAL IMPACT/FINANCING**

There will be no cost or impact to the Department's budget by approving this Amendment. All costs associated with the planning, construction and relocation of the interpretive center will be the responsibility of the Santa Catalina Island Company in the event they terminate the current and relocate the interpretive center.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

County Counsel has approved this Amendment Number 1 to Lease Number 66016 as to form.

#### **ENVIRONMENTAL DOCUMENTATION**

The proposed action is exempt from CEQA according to Section 15301 of the State CEQA Guidelines because the action involves the leasing of a facility involving negligible or no expansion of an existing use.

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**IMPACT ON CURRENT SERVICES/PROJECTS**

There will be no negative impact on any County programs or projects by approving this Amendment.

**CONCLUSION**

It is requested that the Executive Office-Clerk of the Board return the two (2) original copies of the executed document to the Director of Parks and Recreation who will forward them to the Santa Catalina Island Company for final execution.

Respectfully submitted,

  
RUSS GUINEY  
Director

RG:dm

Attachment

c: Executive Officer, Board of Supervisors (22)  
Chief Administrative Officer

**FIRST AMENDMENT TO GROUND LEASE**  
(L.A. County Interpretive Center)

This First Amendment to Ground Lease ("Amendment") dated for reference purposes \_\_\_\_\_, 200\_\_, is made by and between Santa Catalina Island Company, a Delaware corporation, as Landlord, and County of Los Angeles, a body politic and corporation, as Tenant.

**RECITALS:**

A. Landlord and Tenant are the parties to a Ground Lease dated May 12, 1992 ("Ground Lease").

B. Pursuant to the Ground Lease, Landlord leased to Tenant an unimproved site of approximately 0.634 acres located in Avalon Canyon, Santa Catalina Island, more particularly described in the Ground Lease ("Premises") on which Tenant has constructed improvements consisting generally of a 3,136 square foot building, a parking lot, picnic area and landscaping and irrigation system ("Improvements").

C. Landlord and Tenant desire to amend the Ground Lease to provide Landlord a right to relocate the Improvements.

D. By separate agreement, Tenant is delegating responsibility for operating the Interpretive Center to the Santa Catalina Island Conservancy.

NOW, therefore, it is agreed as follows:

1. Termination Right. If Landlord in its discretion determines that the Premises are needed as part of a development of land in Avalon Canyon, Landlord shall have the right to terminate the Ground Lease by giving written notice to Tenant and complying with the requirements of Sections 2 and 3 of this Amendment. If Landlord gives a termination notice, the Ground Lease shall terminate as provided in Section 4 below.

2. New Ground Lease. Landlord's notice of termination shall contain Landlord's offer to enter into a ground lease of other land identified in Landlord's notice of termination in the environs of Avalon, California ("replacement site") which is "substantially equivalent" to the Premises for use as a nature interpretive center focusing on Santa Catalina Island for the then remaining term of the Ground Lease and on substantially the same terms and conditions as contained in the Ground Lease, except that Landlord shall be required to construct improvements for Tenant satisfying the requirements more particularly set forth in Section 3. As used in this Section 2, the term "substantially equivalent" means that the replacement site has visibility to, and accessibility by, visitors to Avalon which is comparable to or better than the Premises, and is of sufficient size to accommodate the improvements required by Section 3. Tenant shall have the right to notify Landlord in writing that it does not believe the proposed replacement site is substantially equivalent to the Premises, such notice (i) to be given within thirty (30) days after receipt of Landlord's notice of termination and (ii) to contain Tenant's statement of the reasons for its belief. Absent a timely notice of disapproval, the proposed replacement site shall be deemed approved by Tenant. If Tenant gives a timely notice of disapproval, the parties shall meet within fifteen (15) days after Landlord's receipt of Tenant's disapproval notice to attempt to resolve the dispute in good faith. If the dispute is not resolved within thirty (30) days after Landlord's receipt of Tenant's disapproval notice, the dispute shall be submitted to binding

arbitration under Section 16.23 of the Ground Lease. The arbitrator's sole determination is whether or not the proposed replacement site is substantially equivalent to the Premises. If the arbitrator determines that the proposed replacement premises is not substantially equivalent, the notice of termination given by Landlord shall be null and void, but Landlord may at any time or times thereafter give a notice of termination identifying other proposed replacement sites to which notice of the foregoing procedures shall be applicable.

3. Required Improvements.

(a) The new ground lease shall require Landlord to construct "substantially equivalent" improvements on the replacement site. As used in this Section 3, the term "substantially equivalent" means that: (i) the new improvements shall include a building of not less than 3,136 square feet, a parking lot, picnic area, and landscaping and irrigation system. ; (ii) the building shall contain display areas, three offices, men's and women's restrooms, and caretaker's quarters; (iii ) there shall be a vehicle parking area on or in close proximity to the replacement site for not fewer than seven (7) full size vehicles and nine (9) autoettes/golf carts; (iv) the quality of construction and general utility for the intended use of the new building shall be at least comparable to that of the old building on the Premises; (e) the improvements shall conform to all requirements of applicable laws, codes and ordinances; (v) there shall be signage comparable to that now existing on the Premises, subject to any limitations of applicable sign ordinances; and (vi) the new building shall contain the same displays, fixtures and equipment (or equivalent replacements thereof) as did the old building. Landlord shall bear the entire cost of construction of the new improvements and of moving displays, trade fixtures and equipment from the Premises and reinstalling them at the replacement site, including but not limited to design and construction plan preparation, preparation and processing environmental documents, obtaining zoning approvals, permit fees, and utility hook-up fees. It is therefore the intent of this Amendment to require the Landlord to be responsible for all known and unknown costs associated with the construction and relocation of the Interpretive Center as hereinabove provided for. As a result, Tenant will not be responsible for any costs whatsoever resulting from the relocation of the Interpretive Center to the new location.

(b) Tenant shall have the right of approval of a conceptual design plan ("Design Plan") and construction plans and specifications ("Construction Plans"), as follows: Landlord shall submit the Design Plan, consisting of renderings, a floorplan, and a site plan showing the location on the replacement site of all improvements. The Design Plan may be submitted concurrently with or after Landlord gives a notice of termination. Tenant shall have thirty (30) days (sixty (60) days if submitted concurrently with the notice of termination) after receipt to give Landlord a written notice of disapproval of the Design Plan for "reasonable cause," such notice to state the reason for Tenant's disapproval. Absent a timely notice or disapproval, the Design Plan shall be deemed approved by Tenant. If Tenant gives a timely notice of disapproval, the parties shall meet within fifteen (15) days after Landlord's receipt of Tenant's disapproval notice to attempt to resolve the dispute in good faith. If the dispute is not resolved within thirty (30) days after Landlord's receipt of Tenant's disapproval notice, the dispute shall be submitted to binding arbitration under Section 16.23 of the Ground Lease. The arbitrator is to determine whether or not the Tenant had reasonable cause for disapproving the Design Plan. If the arbitrator determines that Tenant had reasonable cause for disapproval, the notice of termination given by Landlord shall be null and void, but Landlord may at any time or times thereafter submit a new Design Plan to which the foregoing procedures shall be applicable. If the arbitrator determines that Tenant did not have reasonable cause for disapproval, the Design Plan shall be deemed approved.

(c) Tenant shall have the right of approval of the Construction Plans as follows: Landlord shall submit the Construction Plans consisting of working drawings and specifications. The Construction Plans may be submitted concurrently with or after the Design Plan. Tenant shall have thirty (30) days (sixty (60) days if submitted concurrently with the Design Plans and ninety (90) days if the notice of termination, Design Plan and Construction Plan are all submitted concurrently) to give Landlord a written notice of disapproval of the Construction Plans for "reasonable cause," such notice to state the reasons for Tenant's disapproval. Absent a timely notice of disapproval, the Construction Plans shall be deemed approved. If Tenant gives a timely notice of disapproval the parties shall meet within fifteen (15) days after Landlord's receipt of Tenant's disapproval notice to attempt to resolve the dispute in good faith. If the dispute is not resolved within thirty (30) days after Landlord's receipt of Tenant's disapproval notice, the dispute shall be submitted to binding arbitration under Section 16.23 of the Ground Lease. The arbitrator is to determine whether or not Tenant had reasonable cause for disapproval the Design Plan. If the arbitrator determines that Tenant had reasonable cause for disapproval, the notice of termination given by Landlord shall be null and void, but Landlord may at any time or times thereafter submit a new Design Plan to which the foregoing procedures shall be applicable. If the arbitrator determines that Tenant did not have reasonable cause for disapproval, the Construction Plans shall be deemed approved. Landlord shall construct the new improvements in accordance with the Design Plan and Construction Plans approved or deemed approved by Tenant, immaterial changes due to field conditions excepted.

(d) "Reasonable cause" for disapproval of the Design Plan or Construction Plans shall consist only of failure to conform in all material applicable respects to the requirements of subsection (a). The new improvements shall be the property of Tenant until the new ground lease ends whereupon ownership of all improvements shall vest in Landlord without payment of compensation.

4. Additional Termination Provisions. If Landlord gives notice of termination under Section 1 above, the Ground Lease shall terminate and the new ground lease shall commence upon issuance of a certificate of occupancy for the new building on the replacement site and installation of the required displays, fixtures and equipment. Upon termination of the Ground Lease, Tenant shall surrender the Premises to Landlord, and Tenant shall have no obligations to Landlord with respect to the Premises or Improvements under Sections 5 or 10 of the Ground Lease. Termination of the Ground Lease shall not relieve Landlord or Tenant of any obligations accrued as of the effective termination date or any obligation under this Amendment.

5. Interpretation. This Amendment controls any inconsistent provision of the Ground Lease.

*[Signatures on next page]*

In Witness Whereof, the parties have executed this Amendment on the respective dates set forth below:

"Landlord"

Dated: \_\_\_\_\_, 200\_\_

Santa Catalina Island Company

by: \_\_\_\_\_

title: \_\_\_\_\_

by: \_\_\_\_\_

title: \_\_\_\_\_

"Tenant"

Dated: \_\_\_\_\_, 200\_\_

County of Los Angeles

\_\_\_\_\_  
Michael D. Antonovich  
Mayor, Los Angeles County


*Attest:*

SACHI A. HAMAI  
Executive Officer –  
Clerk of the Board of Supervisors of  
The County of Los Angeles

by: \_\_\_\_\_  
Deputy

*Approved as to Form:*

RAYMOND G. FORTNER JR.  
County Counsel

by:  \_\_\_\_\_  
Senior Deputy